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2. Agreed that the following should be prepared: (a) proposed FY 1964-68 Military Assistance Plans (including the final proposed FY 1963 Program); (b) similar plans for AID programs for the comparable period; and (c) recommendations, made in the light of the considerations in Para. 1 above of the mix of these programs as well as our appreciation of the relative threats to overall US security interests in these countries. Military Assistance plans for Korea and for Greece and Turkey should include an analysis of the impact of the lower financial levels proposed by the MAP Steering Group.

In addition, the following special studies are to be made:

(1) For Korea the military economic and political studies necessary to recommend a desirable Korean force level and structure, including the desirable level of US forces in Korea. (To be submitted by 15 June 1962.)

(2) For Iran a report (to be submitted as promptly as possible and no later than 15 February) on a proposed approach to the Shah to achieve a reduction to a force level of 150,000 taking account of relevant political and economic factors.

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